

Dealers Discuss Direct Marketing

by Kari Anderson

Did you know that nearly one in four adults who read direct mail are prompted to visit a store that sent them the mailing? That's one of the findings revealed in a 2005 retail direct marketing study by Vertis, provider of targeted advertising, media and marketing services. What makes people open one piece of direct mail over another? According to Vertis, 63 percent of adults are attracted by an interesting-looking package, while 51 percent respond to special offers or discounts.

Direct marketing is prevalent in the school supply industry. From catalogs and fliers to postcards and newsletters, school supply retailers continue to use mailings as a way to keep their stores fresh in their customers' minds. We asked some of our readers about the mailings they do and whether they think the Internet will replace the need for printed catalogs and fliers.

Keep an eye on cost

"We use all types of media for keeping in contact with our customers, since no two customers like the exact same combination of information," said Michael Ockrim of The Education Depot in Chicago. "The most cost-effective method that we use is the e-mailing of newsletters and promos, which go out monthly."

At the Teacher's Aid in Owensboro, Kentucky, Doug Morris keeps costs down by mailing postcards rather than fliers. "We send postcards to announce our sales and to keep in touch with customers who have not shopped in our store for some time," he said.

Time your mailings around events

Lance Feldman of Teachers' Helper in San Jose, California, uses both postcards and a flier for back-to-school. The postcards are mailed three or four times per year and are a way to promote clearance sales as well as science fair, testing and summer bridge products. "The postcards usually highlight one or two vendors, while the 16-page back-to-school flier features many vendors," Lance explained. "All of my fliers include some sort of sale price on the products, and that works well. Sometimes I include a coupon offering a percentage discount based on the dollar amount they spend. I vary the dollar amount and the percent discount. This has been very successful."

One Midwest dealer, who chose to remain anonymous for this article, said she also uses postcards to promote sales, and usually sends them six times per year, with the majority of the mailings going out in the fourth quarter. "Direct

mail to our loyal customers is where we see the most return on our marketing dollars, she said. "We also mail out a fourth-quarter toy catalog in October. For that, we combine our mailing list with purchased names. Mailing these has been a good way to show our presence in the toy business during a time when customers are shopping for toys."

Although Learning Gear Plus is an online business, owner Angela Breen still sends printed materials to her customers to encourage them to return to her virtual store. When she sends postcards to teachers and principals, she includes a specific product or line with all the necessary ordering information included on the card. "It's a great way to get our name and our products in their minds," said Angela.

What doesn't work?

Lance Feldman admitted that not all his promotions work the way they're intended. "One mailing I have done with little success is a \$5 gift certificate," he said. "I have mailed thousands of them over the past few years, and most recipients bring them back and spend under \$10."

Direct mail versus the Internet

Because the Internet offers a much cheaper way to stay connected to customers, some dealers view it as a promising alternative to the ever-climbing cost of bulk mailing. Still, e-mail is not without its own complications, as one dealer pointed out. Because customers change e-mail addresses more frequently than other forms of contact, maintaining an up-to-date list can be difficult.

As far as the Internet making print catalogs obsolete, these dealers weren't buying it. "Print school supply catalogs are here to stay," commented Michael Ockrim. "The Web-based catalogs are of equal value, but again, not all customers prefer the same methods for shopping. There will continue to be value in a full-line, print catalog."

"As a public school teacher myself, I know that teachers still want to order from catalogs," confided Angela Breen. "Teachers like to look through catalogs at their leisure. Most schools are not equipped to order with a credit card over the Internet and purchase orders are still the most common way schools order supplies."

Michael Ockrim uses fliers to promote his science fair products.

